

## Requirements for municipalities in public improvements and purchasing

HB 2295 by Thompson (Ellis)

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DIGEST:	HB 2295 would have amended the limitation on participation by a municipality in a contract for public improvements. Under current law, developers build the improvements and municipalities participate in the cost, but they are limited to 30 percent of the total contract price. HB 2295 would have increased that maximum participation rate to 70 percent for municipalities with a population of more than 1.8 million, currently only Houston. The bill also would have amended the list of factors a municipality must consider when awarding a contract for acquisition, sale, or lease of property to include minority- and women-owned businesses, in addition to historically underutilized businesses and nonprofit organizations employing people with disabilities, as under current law.
GOVERNOR'S REASON FOR VETO:	“A late amendment to House Bill No. 2295 is problematic and lacks the criteria needed to guide municipalities in establishing and administering a program similar to the state’s Historically Underutilized Business (HUB) program. Without criteria needed to certify and verify minority-owned and women-owned businesses, this bill would inject ambiguity into the bid selection process and could undermine the success of the state HUB program.”
RESPONSE:	Rep. Senfronia Thompson, author of HB 2295, was unavailable for comment. Sen. Rodney Ellis, the Senate sponsor, said: “This was a good piece of legislation and I was surprised by the veto.”
NOTES:	HB 2295 passed the House on the Local, Consent, and Resolutions Calendar and was not analyzed in a <i>Daily Floor Report</i> .